

Palo Alto Rental Property Newsletter – June, 2007 ©



Leon Leong, Realtor
California DRE License #01432446
Office: 650-224-4574
E-Mail: lleong@cashin.com

Cashin Company Realtors
400 Hamilton Ave – Suite 130
Palo Alto, CA 94301
www.cashin.com



Neighborhood Rental Rates

I counted over 76 single family & condominium rentals in May; the local economy is booming, and this year the demand is greater than I've seen over the past few years. In a one week period, I found tenants for 3 rental properties, with many further inquiries.

From the advertisements for May that I've seen:

- Of the 2 bedroom homes, the median price is \$2,500/month, with 2/3rd priced above \$2,400.
- of the 3 bedroom homes, the median rental price is \$3,475, with 2/3rd priced above \$2,900
- of 4 bedroom homes, the median rental price is \$6,800, with 2/3rd priced above \$4,950

Rents have definitely increased this year, with the lack of vacancies, the high purchase prices of homes, and Palo Alto being a "destination spot" for people to move to, all contributing to the demand.

See Page 2 for neighborhood rental rates.

Property Sales

We continue to see high demand for Palo Alto real estate, with prices appreciating around 10% over 2006; demand is greatest for those properties priced under \$2,000,000.

This year, we've seen 247 single family homes listed for sale, versus 332 for the same period of time in 2006, 74% of what we would typically see. Lower supply, and same or more demand means higher prices.

In previous years, new or recent construction in South Palo Alto or Barron Park (4 bed/3 bath, 2200-2500 square feet) homes would have trouble in selling over \$2,000,000. This year, these types of homes have regularly sold over \$2,000,000. In the Midtown neighborhood, there was even a 3,000 square foot, recent construction, home that sold for \$3,100,000! The price differential between the north & south parts of Palo Alto are narrowing.

If you know of anyone who would like help in buying or selling real estate, have them give me a call.

When a rental has been abandoned ...

This continues on the subject of an abandoned rental from the California Association of Realtors website:

Q 4. What if the landlord believes the property to have been abandoned and there's been a breach of another covenant under the lease but the rent has been paid?

A The landlord must use the unlawful detainer remedy if the landlord wants to get the tenant out of the property. See Calif. Code of Civil Procedure §1161-1179a. ...

Q 5. What is a "reasonable" belief of abandonment?

A. Many residential as well as commercial tenants vacate the premises when behind in the rent without ever notifying the landlord. What some courts look for is whether or not the keys have been turned over to the owner. If turning over the keys establishes for the landlord a clear showing of abandonment, then the landlord may be able to take possession of the premises without providing the Notice as required by §1951.3. Following the procedure of §1951.3 provides greater certainty to the owner and provides protection against a tenant who later sues the landlord for legal possession of the rental property.

However, if the tenant has not made it clear -has not given over the keys - then the landlord is left guessing about the tenant's abandonment. One way to get some idea of the tenant's intention is to view the premises by looking through a window to see if there is anything left behind. For example, if the utilities have been discontinued, there is no refrigerator and no furnishings, abandonment seems clear.

What if some personal possessions have been left behind? "Since many lessees who abandon real property leave personal property on the premises, the mere fact that the lessor knows that the lessee has done so should not, by itself, be held to establish that the lessor's belief as to abandonment was unreasonable. Where the personal property left by the lessee appears to be of little value, it would be reasonable for the lessor to conclude in the absence of other evidence that the personal property, as well as the real property, had been abandoned. On the other hand, where the personal property is of substantial value and it appears that the lessee is the owner, these facts would be significant evidence that the lessee had not abandoned the real property." (11 Cal.L.Rev.Comm. Reports 951 (1973); 12 Cal.L.Rev.Comm. Reports 571 (1974); (Cal. Civ. Code §1951.3(e)(2).) ...

Note: if personal property has been abandoned too, there is another procedure to be followed... **To be continued**

To receive this newsletter by e-mail, please send your e-mail address to lleong@cashin.com

Palo Alto Rental Property Newsletter – June, 2007 ©

Leon Leong, Realtor
 California DRE License #01432446
 Office: 650-224-4574
 E-Mail: lleong@cashin.com

Cashin Company Realtors
 400 Hamilton Ave – Ste 130
 Palo Alto, CA 94301
www.cashin.com



Rental Rates by Neighborhood © - Single Family Homes/Condos

Neighborhood	2 Bedroom	3 Bedroom	4+ Bedroom
Barron Park, Green Acres	Range: \$1495-3200 Average: \$2,068	Range: \$1800-5950 Average: \$2,958	Range: \$2800-6800 Average: \$4,125
College Terrace, Evergreen Park, Southgate	Range: \$1400-3500 Average: \$2,131	Range: \$2000-3850 Average: \$2,770	Range: \$2900-7000 Average: \$4,618
Crescent Park	Range: \$1550-6250 Average: \$2,969	Range: \$2000-8000 Average: \$4,207	Range: \$4200-9900 Average: \$6,398
Downtown North/University South	Range: \$1500-5500 Average: \$2,500	Range: \$1695-7000 Average: \$3,329	Range: \$2900-7500 Average: \$4,915
Duveneck, Triple El, Community Center	Range: \$1600-3500 Average: \$2,336	Range: \$2000-6000 Average: \$3,234	Range: \$2400-7900 Average: \$4,338
Fairmeadow, Meadow Park, Charleston Gardens	Range: \$1500 Average: \$1,500	Range: \$1800-5500 Average: \$2,749	Range: \$2250-4800 Average: \$3,496
Green Meadow	Range: \$1295-2700 Average: \$1,838	Range: \$1899-3375 Average: \$2,590	Range: \$3400-3675 Average: 3,039
Midtown	Range: \$1350-3600 Average: \$2,112	Range: \$1595-4800 Average: \$2,628	Range: \$2250-9500 Average: \$3,601
Old Palo Alto, Leland Manor	Range: \$1400-3500 Average: \$2,273	Range: \$1995-8000 Average: \$3,560	Range: \$2400-12000 Average: \$5,037
Palo Verde, South of Midtown	Range: \$1395-2195 Average: \$1,765	Range: \$1975-4100 Average: \$2,606	Range: \$2750-6850 Average: \$4,138
Ventura, Charleston Meadows	Range: \$1500-2600 Average: \$1,959	Range: \$1600-5300 Average: \$2,483	Range: \$1995-6200 Average: \$3,350

Data Points: 1452

Sample Property Sales: Mar - May, 2007

Neighborhood	Street	Type	Bed	Bath	Sales Price
Barron Park/Green Acres	Donald Dr	House	3	2	\$1,700,000
Community Center	Channing Ave	House	3	2	\$1,850,000
Crescent Park	Seneca St	House	3	2	\$1,800,000
Downtown North	Everett	Condo	2	2	\$888,000
Green Gables	Elsinore	House	3	2	\$1,525,000
Greenmeadow	Parkside Dr	House	3	2	\$1,502,000
Greenmeadow	Nelson Dr	House	4	3	\$1,1610,000
Midtown	Emerson St	House	2	1	\$1,100,000
Midtown	Loma Verde	Condo	3	2.5	\$838,888
Midtown	Marion Dr	House	4	2	\$1,548,400
Palo Verde	Ross Rd	House	3	2	\$1,170,000
Professorville	Waverley	House	4	2	\$1,790,500
South Midtown	Waverley	House	2	1	\$1,200,000
Southgate	Castilleja	House	2	1	\$1,500,000

To receive this newsletter by e-mail, please send your e-mail address to lleong@cashin.com